

Chairman Tom Davis Government Reform Committee Hearing, "Out at Home: Why Most Nats Fans Can't See Their Team on TV" Friday, April 7, 2006 12:30 p.m. Room 2154 Rayburn House Office Building

Opening Statement

Good afternoon and welcome. A quorum being present, the Committee on Government Reform will come to order. I would like to welcome everyone to today's hearing. Today the Committee will examine the dispute that is preventing Washington Nationals games from being widely available on cable television. Nationals fans deserve to understand why they can't watch 75 percent of their team's games on the region's dominant cable provider – Comcast, with its 1.3 million subscribers.

Being able to watch the Nats on TV has been a problem ever since the team came to Washington. Last season, before an agreement was reached with DirecTV, the lack of access to Nationals games was so bad that play-by-play man Mel Proctor actually gave out his cell phone number and asked anyone watching the game to call him. He got one call – from a technician in the production truck outside.

As any fan knows, part of following your home team is watching the games on TV. For some, this means trying to watch every game, for others it means flipping the ballgame on at night to check the score. This past Wednesday night, if you flipped the game on in the ninth, you would have found the Nats down by one. Next thing you know, Ryan Zimmerman homers off Billy Wagner to tie the score – and then they go on to win the game in extra innings. Having all the games on TV means you can tune in when the Nationals are in the midst of a winning streak, when a superstar opponent is in town, or when you find out that a no hitter is in progress. I can't imagine how frustrated I would be if I found out Livan Hernandez had a no-hitter going in the seventh and I couldn't flip on the TV to see it. Having all the games on TV allows folks to jump on the



Nationals bandwagon, to have those water cooler conversations, and to make the Nationals part of the fabric of the community. If you air it, they will come.

I am disappointed that the sophisticated businessmen involved in this dispute have failed to strike a deal. There should be enough money and good sense to make a deal work for everyone. The only people hurt by this dispute are the fans.

I should note at the outset that I am not personally affected by this. As a Cox customer, my house will be receiving just about all the Nationals games. And I intend to watch as many as I can – that is, when I can't be at RFK myself. Nothing against sports bars, but I prefer my own sofa

For more than 30 years, area fans waited for the national pastime to return to the Nation's Capital. Despite the favorable demographics of the Washington, D.C. market, baseball was reluctant to move a team to Washington because of the close proximity to the Baltimore Orioles.

As part of the deal to bring baseball back to the District, MLB made a series of valuable concessions to the Orioles ballclub – one granted the Orioles television rights to the Washington team. Armed with the TV rights to the Nationals, the Orioles formed a regional sports network called Mid-Atlantic Sports Network, or MASN. If viable, MASN will compete directly with Comcast SportsNet for the right to carry the Wizards, Capitals, and other live sports events.

By any measure, baseball's return to Washington last season was a huge success. Besting 19 other teams, the Nationals had the 11th highest attendance in baseball, averaging almost 34,000 a game. In all, 2.7 million people went to Nationals home games last year. RFK was rocking once again.

Part of the Nationals success has to do with the serious effort made by the government of the District of Columbia and Mayor Anthony Williams. The District of



Columbia has made a substantial financial commitment to the Nationals. A \$600 million publicly financed stadium is set to break ground. Expected to open for the 2008 season, it will be the keystone of the economic redevelopment of the Anacostia Waterfront section of the District. The presence of the stadium along with residential, office and retail space in the surrounding area is projected to create a cumulative 30-year tax benefit of \$2.5 billion.

This Committee, with its oversight responsibility of the District, believes that the Nationals and the District need and deserve every chance to succeed. Ensuring that the games are widely available on television is an important component of that.

With its 1.3 million subscribers, Comcast dominates the cable market in Washington. Other video programming suppliers in the area include Cox, RCN Cable, DirecTV, Dish Network, Charter Cable, VerizonFIOS, and Adelphia.

MASN has reached an agreement to have their network and the Nationals games carried with five of those suppliers. MASN has demonstrated an ability to make a deal happen. Not so, however, when it comes to a deal with Comcast. This Committee – and Nationals fans across the region -- want to understand why. Is MASN asking for too much money or imposing unreasonable conditions? Is Comcast trying to prevent a competitor from getting its legs? Or is it some combination of factors?

Today, the Committee will try to get some answers. We look forward to hearing from officials of Comcast, Cox, Major League Baseball, the Orioles and MASN. In addition, we will hear from local officials in the Washington area, whose constituents are adversely affected by the standoff between Comcast and MASN.